3.0 CONDITIONS OF SERVICE

The District will endeavor to provide customers with a continuous and adequate supply of water within reasonable maximum and minimum pressures. However, pressure will vary throughout the distribution system. The District requires that facilities connected to the existing District system during construction must consistently meet and maintain pressure and water quality requirements since structures may be connected to installed services while under construction. The developer is responsible for the maintenance of water pressure and water quality for the facilities until accepted by the District.

The District will act to conserve water resources in a manner that reflects the goal of achieving and maintaining a sustainable community within the desert environment of Southern Nevada.

The District may reject, rescind, reduce, or terminate current or proposed uses of water where such use:

a. Is contrary to the District's obligation to assure reasonable use including compliance with rules for water pressure, quality, efficiency, drought, conservation, or the use of non-potable water for irrigation.

b. May encumber or impair the District's ability to maintain an adequate level of service to other customers.

c. Compromises public health, safety, or welfare due to circumstances that affect the available water supply.

d. May encumber or impair the community's ability to meet regional conservation goals.

The conservation of ground and surface waters is an integral component of the District's long-range goals. The District, through its Service Rules, policies, and procedures makes a consistent effort to maximize the resources of the Colorado River and groundwater basins. The District is required under state and federal laws and regulations to provide for beneficial use and avert the waste of water. The District will continue to use rates, education, regulation, or incentives to develop programs to reduce the waste of water and improve the efficiency of its use. Further, the District may conserve potable water by providing customers with non-potable water resources, when available, for use in an efficient, effective manner.

3.1 Water Pressure

Property owners or customers are responsible for installation and maintenance of privately owned pressure regulators, or other devices as required. In accordance with the Uniform Plumbing Code, individual pressure reducing valves are required to be installed and maintained by the owner whenever static water pressure exceeds 80 psi.

The District may adjust pressures as the need arises.

3.2 Interruption of Service.

The District will attempt to notify customers in advance of any interruption in service due to repairs, or other causes. In emergency conditions or when notification is not practical, service may be interrupted without warning for indefinite periods of time.

3.3 Parcel Location Adjacent to a Main.

New applications for service will only be accepted if a minimum of twenty feet of useable main which meets the District's pressure, flow, and capacity standards is located adjacent to the parcel to be served. The main must be within a dedicated right-of-way or easement grant to the District. Where these conditions are not met, an application for service will require a main extension.

3.4 Parcel Not Adjacent to a Main.

In order to obtain service to a parcel not immediately adjacent to a main as required by Chapter 3.3, the applicant will be required to provide a main extension in accordance with the requirements of Chapter 9, or the applicant may make an application for a non-standard service if the property meets the requirements of Chapter 6.

3.5 Damage to Property.

The District will not be liable for damage to real or personal property caused by water running from open or faulty piping or fixtures on the customer's property. Customers who request activation of a service shall be responsible for damage resulting from such activation due to open or faulty piping or fixtures on the customer's property. The District may, at its discretion, opt to return the water service to a shut-off condition if there is an indication of water running on the customer's property at the time of service activation. A fee will apply for requested same day service activation. (Appendix I A.20.) If the District becomes aware of a leak on a customer's property, the District will attempt to notify the customer. The District has no obligation to be aware of or to discover water running on the customer's property at any time

3.6 Access to District Facilities.

Parcel owners who permit landscaping, irrigation, fencing, structures, or other fixed or movable obstructions to block, prevent, hamper, or restrict free and easy access to District facilities for work of any nature, including meter reading, shall be liable for costs incurred in removing such items. Clear access shall be maintained in accordance with easement provisions. A minimum of three feet of clear and level access shall be maintained around District facilities when there is no easement. The District will mail notice by certified mail, return receipt requested, to the mailing address on file with the Clark County Treasurer in order that the property owner may correct the condition. If the property owner fails to remove the moveable obstruction in 14 days or the fixed obstruction within the 60-day period, the District may complete the work at the sole cost of the property owner. In an emergency, the District has the right to cause the obstruction to be removed without notice to the property owner, and removal and all related costs will be the property owner's responsibility. At the

property owner's option, subject to the District's prior approval, the District's facilities may be relocated by a Nevada-licensed contractor of the property owner's choice at the sole expense of the property owner, but subject to the standards and procedures of the District. Alternatively, the property owner may make application for relocation by the District and at that time pay a deposit towards the actual total cost to be borne by the property owner.

Failure of the property owner to comply may result, at the District's election, in termination of water service to the property.

3.7 Efficient Water Use.

Any person or association is prohibited from imposing private covenants, conditions, restrictions, deed clauses, or other agreements, that prevent a person from using water efficient landscaping, including xeriscape, to conserve water.

As a condition of service, customers of the District must use water delivered through the District system in a manner that promotes efficiency and avoids waste.

3.8 Customer Premises.

District employees have the right to access customer property at all reasonable hours for any purpose related to the furnishing of service and protection of water quality. Except where specifically authorized for the purpose of conservation, employees are prohibited from entering customer premises to repair or alter customer piping and fixtures.

3.9 Use of Non-Potable Water for Irrigation.

The purpose and intent of the District is to require large-scale turf and landscape irrigators and appropriate non-residential users to use non-potable water when and where it is made available by the District. Irrigation plans may be evaluated as they are submitted subject to District goals, operational requirements, Service Rules, or criteria for conservation, public health, safety, or welfare, and accessibility and availability of service. The use of non-potable water for irrigation encourages conservation and allows the valuable and limited natural resource of potable water to be freed for other, higher uses. As the population in the Las Vegas Valley continues to increase, it will become increasingly important that large scale turf and landscape irrigators make use of non-potable water.

The rate for non-potable water charged to a customer will be designed to recover all costs to make non-potable water available to a customer, including capital expenditures, treatment, cost paid to other entities for non-potable or recycled water, operations, capital replacement, or any augmentation of supply or resource to meet demand. The sale of non-potable water will not be used to subsidize or otherwise support the District system for the delivery of potable water.

The General Manager has the authority to sign any Agreement on behalf of the District for the provision of non-potable water to any entity if the Agreement in question is in a form substantively the same as any form of agreement for provision of non-potable water that has been approved by

the Board.

All other sections of the Rules concerning billing, collections, disconnection, construction, installation, inspections, or approval shall also apply to non-potable water.

3.10 Non-Essential Water Uses.

Because the conservation of water resources is vital to the general prosperity, health, safety and welfare of the community, the District must maintain adequate supplies for all customers, and elimination of non-essential water uses is a critical component of its mission. This applies to both potable and non-potable District water. Therefore, service to Manmade Lakes, Non-Functional Turf, New Development Turf Installations, New Development Spray Irrigation, Pools and Spas, Ornamental Water Features, Recreational Water Parks, golf courses and Evaporative Cooling shall be severely limited as described in the following sections, unless the Customer proves an alternative source of water sufficient to negate the non-essential use. Non-Conforming Uses are not subject to the following restrictions unless otherwise noted or prohibited by law, but may not be enlarged, increased or extended.

a. Manmade Lakes.

   As of January 1, 2021, the District will not serve Customers who use any portion of the water served by the District for Manmade Lakes, except for the following:

   1. A body of water constituting a wetlands project or located in a recreational facility which is owned or operated by a political subdivision of this State that utilizes nonpotable water.

   2. A body of water which is located in a recreational facility that is open to the public and owned or operated by the United States of America or the State of Nevada.

   3. Bodies of water located on a cemetery which are used for the purpose of storing irrigation water for the same and which have a combined aggregate surface area of less than five and one-half percent (5.5%) of the total cemetery area, respectively.

   4. Manmade Lakes first served by the District on or after January 1, 2021 shall have an exclusive meter or meters and pay the highest tier water rate for all of their water use.

   5. Manmade Lakes in service before January 1, 2021, having more than one acre of surface area, shall pay the same rate as non single-family residential customers.

b. Non-Functional Turf.

   As of January 1, 2027, the District will not serve customers who use any portion of the water served by the District for Non-Functional Turf without an approved waiver from the SNWA. Non-Conforming Use exceptions do not apply to Non-Functional Turf.

c. New Development Turf Installation

With the exception of schools, Parks, and cemeteries, the District will not serve Customers who use any portion of the water served by the District to irrigate Turf areas on properties that are issued a certificate of occupancy by the governing jurisdiction after April 5, 2022.

New turf installations in schools, parks and cemeteries must meet the following specifications to receive service:

1. Turf areas must be at least 1,500 contiguous square feet or greater.
2. No turf shall have a surface area less than 30 feet in any dimension.
3. Turf areas must be located at least 10 feet away from a street, unless it's a fenced area to provide safety for recreational users.
4. The maximum slope of a turf area cannot exceed 25 percent
5. Turf areas cannot be installed within street medians, along streetscapes, or at the front of entryways.
6. Turf installations must provide for active recreation for schools and parks.
7. Turf installations in cemeteries are limited to burial plots only. The District will not serve other turf areas in cemeteries, including but not limited to areas of decorative turf or turf areas that, in the District's sole discretion, are unreasonably sized for the number of active or planned burial plots.

d. New Development Spray Irrigation

With the exception of schools, Parks and cemeteries on permitted turf installations, the District will not serve Customers who use any portion of the water served by the District for Spray Irrigation of non-Turf landscape areas on properties that are issued a certificate of occupancy by the governing jurisdiction after April 5, 2022.

e. Pools and Spas.

The District will not serve single family residential customers who use any portion of the water served by the District for pools, spas and/or water features with a combined surface area that exceeds 600 square feet and who obtained a pool permit from the applicable governing jurisdiction after September 1, 2022. The restrictions described in this Paragraph (e) do not apply to Ornamental Water Features.

f. Ornamental Water Features.

As of October 4, 2022, the District will not serve and Customers shall not use District water for Ornamental Water Features, except for the following:

1. A water feature of 10 square feet or less of surface area at a single-family residence.
2. Water features supplied exclusively by privately- owned water rights, unless restricted by the code of another applicable jurisdiction.
3. A water feature located entirely indoors.

g. Recreational Water Parks.

As of December 1, 2020, the District will not serve and Customers shall not use District water for Recreational Water Parks until they meet the following requirements:

1. A Water Efficiency Plan is submitted to the District for review and accepted by the District; and
2. The water use must be mitigated before water service is approved. Recreational Water Park water use can be mitigated use by either option or a combination of the following:

   - Supporting the regional conservation program by paying $30 for each square foot of surface area within the Recreational Water Park to the Southern Nevada Water Authority; or
   - Removing turf and converting to xeriscape at a ratio of 10 square feet of turf for each square foot of surface area of the Recreational Water Park consistent with the Southern Nevada Water Authority's Water Smart Landscapes Program's terms and conditions. Any turf converted to meet these requirements will not be eligible for a rebate under any of the Southern Nevada Water Authority's rebate programs.

h. Golf Courses.

The District will not serve and Customers shall not use District water for golf courses not receiving service from the District or possessing a water commitment from the District as of November 2, 2021.

i. Evaporative Cooling.

The District will not serve development equipped with evaporative cooling if the following conditions have not been satisfied:

a. The property applied for its building permit by close of business September 1, 2023;

b. The property's building permit was issued by close of business February 1, 2024, by their respective governing agency; and

c. The property received its temporary certificate of occupancy, certificate of occupancy or certificate of completion by close of business February 1, 2026.

2. Tenant improvements within shell buildings that were permitted in accordance with the conditions listed above may equip their space(s) with evaporative cooling.

3. Evaporative cooling systems that were permitted in accordance with the conditions listed above may be replaced with evaporative cooling as long as the following conditions are satisfied:

   a. The replacement unit(s) does not increase the originally permitted evaporative cooling load of the existing development; and

   b. The proposed replacement system receives approval by the Southern Nevada Water Authority's Conservation Division before installation.